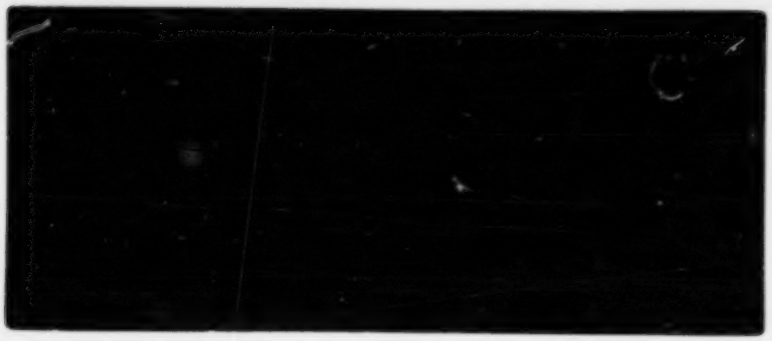
Economic Council
of Canada

P.O. Box 527
Ottawa, Ontario
K1P 5V6

Conseil économique
du Canada

C.P. 527
Ottawa (Ontario)
K1P 5V6



**LOCAL DEVELOPMENT PAPER NO. 13**

Yukon 2000: Comprehensive Planning for Diversification

by

Michael B. Decter and
Jeffrey A. Kowall

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**RÉSUMÉ**

Le projet YUKON 2000, lancé en 1986 par le gouvernement du Yukon, constitue un exemple éclairant d'un programme global de planification communautaire qui représente non pas une simple activité marginale, mais le principal effort d'un gouvernement en matière de politique économique. Nous avons étudié différents programmes de planification établis en divers endroits du Canada; YUKON 2000 se démarque de tous les autres pour deux raisons. D'abord, comme il s'agit d'une initiative du gouvernement territorial et non d'un groupe communautaire, le projet s'inscrit dans un large courant de planification et de développement économiques. Ensuite, il représente un ambitieux programme d'ensemble qui inclut tous les secteurs de l'économie du Yukon. Il faut également noter que YUKON 2000, qui favorise la participation communautaire, est appelé à exercer une influence profonde sur la part que doit jouer la communauté dans le développement régional.

D'aucuns considèrent le projet YUKON 2000 comme une réaction à la grave récession qui a entraîné la fermeture des trois principales mines au Yukon et a réduit, durant un certain temps, les revenus du territoire d'approximativement 40 %. Mais il a aussi résulté de l'inquiétude des habitants du Yukon au sujet de leur dépendance à l'égard des biens importés. L'initiative YUKON 2000 s'est fondée sur les possibilités de diversification et de remplacement des importations.

Cette étude fait le point sur le projet YUKON 2000 et cherche à en évaluer l'applicabilité au développement régional à d'autres situations. Les idées et les possibilités identifiées au cours du processus, ainsi que les conflits entre divers groupes, constituent les véritables données sur lesquelles portent cet examen. Il faudra plusieurs années pour constater et mesurer tous les effets de YUKON 2000 sur les structures économiques et sociales du territoire, car cette initiative est assez récente et encore loin d'être achevée. Toutefois, le projet YUKON 2000 constitue déjà une source d'idées et de leçons importantes.

**ABSTRACT**

The YUKON 2000 endeavour, launched by the Government of the Yukon in 1986, provides an instructive example of a community based comprehensive planning exercise being undertaken, not as a marginal activity, but as the central economic policy thrust of a government. In surveying various planning endeavours across Canada, YUKON 2000 stands out for two reasons. First, it is an activity in the mainstream of economic planning and development, as it is sponsored by the territorial government rather than by a community group. Second, it is ambitious and comprehensive, including all the sectors of the Yukon economy. As well, the participatory approach of YUKON 2000 has important implications for the notion of community in regional development.

The YUKON 2000 approach can be seen as a reaction to the seriousness of the recession which closed all three of the Yukon's major mines and came near to eliminating, for a time, approximately 40 percent of its territorial income. Another motivating factor for the Yukon 2000 project was Yukoners' concern over their dependence on imported goods. Possibilities for diversification and import substitution are central to the launching of this initiative.

This study examines the progress of YUKON 2000 to date and seeks to evaluate its applicability to other regional development in other situations. The ideas and opportunities identified by the process, as well as the conflicts among various groups, are the real data for this review. The impacts of YUKON 2000 on the territory's economic and social fabric will not be fully evident and measurable for some years, as the initiative is relatively recent and far from complete. However, important lessons, ideas and concepts are available in the YUKON 2000 experience to date.

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## FOREWORD

The purpose of the Economic Council's project on Directions for Regional Development was to look at situations in which local communities had assumed more responsibility for their own development, and to see what lessons could be learned from these experiences. Fourteen case studies were undertaken, while a number of Issue Papers examined subjects of general concern to communities and development practitioners. The research was deliberately designed to be different from work typically undertaken by the Council in the past. The primary task was to collect instructive evidence, and to verify it where possible by drawing upon existing evaluation studies. The authors were not expected, for example, to undertake the extensive data collection needed to do cost-benefit studies. Rather, they were asked to capture the diversity of the local development experience in Canada.

The results of the research are being reported in a special collection of Local Development Papers. Recent and forthcoming releases in this collection are listed at the end of this document. An overview of the findings from these cases and Issue Papers will be presented in a paper entitled Developing Communities: The Local Development Experience in Canada.

A subsequent phase of the project will analyze the context within which local development initiatives take place and evaluate their actual and potential impact on reducing regional disparities.

This Paper presents one of the Issue Papers produced by the Directions for Regional Development project under the direction of Dal Brodhead.

Like the case studies, these Issue Papers arose out of the project team's research and consultations with community development workers, government officials, women's groups, business people, non-profit organizations, and many others across Canada. A unique feature of the project was its regional orientation through the use of three regional consultants who played a major role in the development of the case studies and issue papers and in the consultation process. Equally important were the numerous joint research ventures undertaken with a wide range of regionally based partners.

Our work in the first part of the project suggests that programs sensitive to the needs of individual communities and based on some type of partnership between government and local groups may make a contribution to economic development in Canada's diverse regions. In particular, our research suggests that communities have an important role to play in identifying development priorities and the particular skill requirements of individuals and local businesses. They also indicate that such "bottom-up" strategies

can be assisted by a Local Development Organization (LDO), whose mandate is sufficiently broad and constituency base sufficiently large to enable it to take a long-term development perspective. An important feature of "bottom-up" community development strategies is their focus on community capacity-building aimed at increasing local self-reliance and innovation.

The issues on which we have chosen to focus illustrate a number of the ways in which Canada's communities have mobilized their available human, financial, and material resources to help assure a future for themselves. We believe that the resulting papers will be of value both to community and regional development practitioners and to regional policy-makers at all levels of government.

Michael Decter is with Peat, Marwick Management Consultants in Montreal. Jeffrey Kowall served as research assistant to Mr. Decter. Jon Peirce is a researcher-writer with the Economic Council's Regional Development project.

Judith Maxwell
Chairman

## Chapter 1: INTRODUCTION AND BACKGROUND

### 1.1 The Uniqueness of the Yukon

To situate the YUKON 2000 initiative in its proper context, it is necessary to understand the geography and economy of the Yukon. The Yukon is an enormous geographic land mass, covering over 480,000 $km^2$ -- or 4.8 per cent of Canada's total land area. It is thus larger than seven of Canada's provinces. However, the Yukon has a very sparse population -- 27,302[1] as of June 1987; what is more, two-thirds of that population lives in the capital city of Whitehorse.[2]

During the early 1980s, a major economic downturn was experienced by the Yukon as the international/national recession made itself felt in the territorial economy. The Yukon's dominant private sector employer was the Cyprus Anvil Mine, along with the other two hard rock mines and the White Pass and Yukon Railway. Historically, minerals have been the chief export of the Yukon economy and the White Pass and Yukon Railway the main transportation mode. During the recession, all three mines and the railway closed. With the mining sector closed, the Yukon economy was, for a time, largely driven by Federal transfer payments, supplemented to a degree by tourist expenditures. Although the Cyprus Anvil mine reopened in 1986 under the management of Curragh Resources, and mining prospects are

optimistic, (especially for gold mining) the need to diversify the Yukon's economy remains serious.

In this connection, it is worth noting that a review of the Yukon economy carried out under the auspices of the Canada-Yukon Development Agreement came to a similar conclusion.[3] This review noted that, even relative to other "single-industry" regions, which themselves tend to lack diversity compared to the rest of Canada, the Yukon's economy was very much concentrated in the primary and service sectors; in manufacturing it was far weaker. These findings are borne out by 1986 Census data (see Table 1) which show about half again as many Yukoners, relative to the size of the total labour force, employed in primary industries as Canadians as a whole -- but only about one-seventh the proportion employed in manufacturing. As well, far greater proportions of Yukoners were employed in the various utility industries and by government than was the case for Canada as a whole.

The economic impact of the recession was so severe that in 1985, the Yukon's population had still not recovered to its 1981 levels.[4] The labour force also showed significant decline and the number of individuals in full-time employment was 1,000 less in 1985 than in 1981 (see Table 2). The decline in employment levels in the Yukon was a result both of high levels of out-migration

(leading to a smaller labour force) and continuing lack of demand for the territory's resources.

**Table 1**

**Occupation by Industry Division: Canada and the Yukon (1986) Number and Proportion of Labour Force in Various Industry Divisions, 1986 Census-20% Sample Data**

| | Canada | | Yukon Territory | |
|---|---|---|---|---|
| | Number | % | Number | % |
| All Industries | 12,740,230 | (100%) | 13,600 | (100%) |
| Primary Industries | 865,510 | (6.79%) | 1,235 | (9.08%) |
| Manufacturing Industries | 2,196,745 | (17.24%) | 330 | (2.43%) |
| Construction Industries | 759,165 | (5.96%) | 970 | (7.13%) |
| Transportation, Storage, Communication, and Other Utility Industries | 977,605 | (7.67%) | 1,720 | (12.65%) |
| Trade Industries | 2,190,850 | (17.20%) | 2,065 | (15.11%) |
| Finance, Insurance, and Real Estate Industries | 690,895 | (5.42%) | 380 | (2.79%) |
| Government Service Industries | 969,280 | (7.61%) | 2,765 | (20.33%) |
| Other Service Industries | 4,090,180 | (32.10%) | 4,150 | (30.51%) |

Note Numbers and percentages may not add up exactly due to rounding.

Source Statistics Canada, Selected Population Characteristics for Census Divisions and Census Subdivisions, 1986 Census, 20% Sample Data, Cat. 94-122, p. 5, items 3-11.

**Table 2**

**Yukon Labour Force and Employment**

| | 1981 | 1982 | 1983 | 1984 | 1985 |
|---|---|---|---|---|---|
| Total Labour Force | 13,222 | 12,787 | 11,745 | 12,532 | 12,413 |
| Employed Labour Force | 11,763 | 11,118 | 10,087 | 10,913 | 10,554 |
| Full-Time Employment | 10,574 | 9,877 | 8,906 | 9,686 | 9,527 |
| Unemployed Labour Force | 1,459 | 1,669 | 1,658 | 1,619 | 1,859 |

Source As reported in "Yukon Economic Development, Perspective Update: 1981-85, Summary and Recommendations", Prepared by Economic Development Northern Affairs Program, Yukon Region and Policy, Planning and Research Economic Development: Mines and Small Business, Government of Yukon, July 1987.

For many decades, the Yukon economy has been characterized as one held in the grip of a handful of large companies and oligopolies which dominated it.[5] Against this backdrop, the election of a New Democratic Party government in 1985 was of particular significance. Economic diversification and import substitution featured prominently in the public policy pronouncements of the newly elected government. Upon assuming office, the new government sought a means by which to implement its economic strategy while building an alliance with business, labour, native people, and other sectors of the Yukon economy. Of particular interest is the role played by native people, who make up slightly more than 25 per cent of the Yukon's population.[6] While somewhat critical of the territorial government for not involving native people at an earlier stage in the planning process, the Council for Yukon Indians nonetheless decided to

participate fully in the Yukon 2000 initiative, in the hopes of increasing "non-native" understanding of the native position and economic situation.[7]

YUKON 2000 was developed as a mechanism to achieve both the government's economic and its political objectives. In the next section, we describe the history of the Yukon 2000 initiative in more detail.

**NOTES**

1 Statistics Canada, 1986 Census Data.

2 Yukon Fact sheet, Executive Council Office, Bureau of Statistics, Government of Yukon, p. 2.

3 Yukon Economic Development, op.cit., p. 6 (see Table 2).

4 Personal interview: member of the Yukon Chamber of Commerce.

5 Personal interview: member of the Yukon Chamber of Commerce.

6 Bob Green, "The Indian Economy," in Northern Perspectives, 16:2 (March-April, 1988), p. 12.

7 Ibid.

## Chapter 2: HISTORY, ORIGINS AND OBJECTIVES OF YUKON 2000

### 2.1 Origins

The Yukon 2000 Development Strategy in Whitehorse grew out of a conscious attempt by the Yukon Government to take control over the future direction of the Yukon economy and to enhance the region's quality of life. Past experience with economic development initiatives had taught Yukoners valuable lessons about regional development planning. Previous efforts, such as the Regional Development Incentives Act, had utilized highly centralized "top-down" approaches which exhibited a lack of understanding of local development issues; as well, these approaches had done little to address Yukoners' concerns over their high level of dependence on imported goods and over the increasingly severe boom and bust cycles characteristic of the territorial economy.

The Yukon 2000 plan, as noted earlier, had its immediate origins in the recession of the early 1980s. One result of the recession was that by 1985, the government, somewhat by default, had become the leading force in the Yukon's economy. In that year, it employed almost 40 per cent of the full-time work force and was responsible for 82 per cent of the value of personal expenditures on goods and services.[1]

Another result was that, by 1986, the Yukon had a higher than average incidence of low-income households and of unemployment. According to that year's Census data, 5.83 per cent of the territory's households had incomes below $5,000, as compared to 4.68 per cent for Canada as a whole.[2] The Yukon's unemployment rate stood at 13.3 per cent, compared to 10.3 for all of Canada; particularly hard hit were males (14.3 per cent as against 9.6 per cent for Canada as a whole) and those between 15 and 24 (21.5 per cent as against 17.5 per cent for all of Canada).

Tony Penikett, Yukon government leader, reflected on both the extent and the immediacy of the economic situation:

> "A bad day at the London Metal Markets or an Asian smelter could ruin our lives ... we needed to strengthen our base and increase local control. If we didn't do it ourselves, outsiders would do it for us... Such a small community in so large an area would have to pull together or pull apart."[3]

Under the leadership of Penikett and the Yukon government, the foundations for Yukon 2000 began to take shape.

Certain factors were crucial to the successful launch of the Yukon 2000 plan. First, the unique characteristics of the Yukon economy and society had to be integrated into the planning process. Most notably, the Yukon's relative isolation and its frequent need to rely on non-market sources of goods and income had led to the development of a non-wage economy involving many

people in the Yukon[4] (see Goal 2, below). This phenomenon had to be incorporated into the Yukon 2000 framework, as it represented one of the unique aspects of the Yukon economy which had been regularly ignored by previous development initiatives.[5] As well, the Yukon's small population permitted the input of a majority of its citizens. Significant citizen participation in the process would also ensure that the government would not alienate any particular group or region, given that, in the Yukon, elections can be won or lost on a very small number of votes.

## 2.2 History and Objectives

Intentions became reality with the organization of the Faro workshops in June, 1986. The town of Faro was an eminently appropriate setting for the workshops. This relatively small mining town had been the location of the world-class Cyprus Anvil Mine. With the closure of the mine in 1982, the Yukon lost its largest private sector employer and, as a result, Faro's population plummeted from 2,300 residents in 1980 to 80 in 1985, a drop of over 96%.[6] It was a setting that served as a classic reminder of the Yukon's vulnerability to external economic forces, its dependence on a very narrow range of business activity, and its susceptibility to the boom and bust cycles characteristic of resource-based regions.[7]

The Faro workshops were attended by some sixty delegates, including business people, labour leaders, community leaders, and representatives from the Yukon's native population. The conclusions reached by the workshops' participants reflected and crystallized sentiments that had existed within both government and the Yukon community at large. The participants stressed the need to shift government resources into the Yukon's communities. As well, there was a call for improved research efforts into such areas as northern farming, forestry, and placer mining.[8] Native delegates emphasized the need to recognize the native economy as being in many ways distinct from the dominant, non-native one.[9]

As a direct result of the Faro workshops, four broad goals were selected as the major objectives of the Yukon 2000 initiative:

1. "Ensure that the Yukon is a desirable and worthwhile place for people to live and work so that they have the option to stay here. Given this, economic development should concentrate on opportunities which are secure and stable and which enable people to support themselves. The first priority should be development directed at those who have already chosen to make the Yukon their home. In order for the option to stay in the Yukon to be meaningful, people must be able to meet their needs throughout the territory.

2. Development must support an acceptable quality of life, as Yukoners themselves choose to define it. Therefore, one part of this goal must be individual freedom to make choices. Quality of life addresses material well-being. For some Yukoners, this will be achieved through good wages. For some it will be through fair returns on capital and time invested. For others it will mean the continued survival of non-wage lifestyles and access to renewable resources.

Quality of life also has social dimensions. Yukoners want and deserve public services which are consistent with national standards.

As well, the Yukon's unique wilderness is an integral part of our quality of life. Economic development must be compatible with the lifestyles we've chosen.

3. Poverty exists in the Yukon today. It is particularly prevalent among some groups: women, Indians, the young and the elderly do not have access to economic opportunities on equal terms. <u>There is widespread agreement that we must work towards equality of opportunity.</u> How we can best ensure economic fairness is a complex question that has generated much discussion.

4. <u>Yukoners want and intend to have greater control of our future - including future economic development.</u> Control will never be complete, there are many external factors affecting development possibilities. But taking control means that the old ways of dealing with external forces should be examined and improved to bring more benefits in decision-making to Yukoners. Without isolating the Yukon from the country and the rest of the world, we must find ways to supply more of our needs: energy, fuel, and building materials, for example. Greater community control through devolution and decentralization is also an important dimension of this goal."[10]

These goals are very much in tune with the spirit of community-based development initiatives. However, in the Yukon 2000 case they are being applied to an entire territory with its own political culture. In this respect, the Yukon 2000 initiative is unique in the Canadian experience.

Following the Faro workshops, the government designated the Yukon Economic Council, an agency at arm's length from the government, as the monitoring authority of the initiative. In turn, research into specific areas was commissioned by the Yukon

Economic Council. Those consulted included residents of the Yukon as well as a wide array of experts from across the country. Research was undertaken in four areas: renewable resources, non-renewable resources and industry, community issues, and human resources.[11]

In conjunction with these research initiatives, sixteen "linkage" studies were undertaken. Those studies were intensive analyses of factors which could influence and encourage economic development across a wide range of sectors. Examples of these studies included an analysis of the relationship between financial institutions and mining and forestry development, and a study on ways of reducing the Yukon's $100 million annual dependence on imported petroleum products.[12]

Consistent with Yukon 2000's "bottom-up" approach, the year following the Faro workshops witnessed several smaller meetings and workshops aimed at increasing the input from certain groups within the community and simultaneously identifying their most pressing needs. Two series of meetings were held with representatives from various industries, one in the fall of 1986 and another in the spring of 1987. These meetings focused on the discussion of strategies for encouraging economic development within each sector. Reports which were drawn up include both general and specific recommendations about how industry can best

meet the challenges it faces and overcome obstacles to development.

Three sets of meetings were held with community leaders in the fall and winter of 1986 and again in the spring of 1987. These meetings were attended by municipal leaders from urban and rural areas and by Chiefs and Indian Band councillors and also included community members-at-large. The objective of these meetings was to identify, using a bottom-up approach, the needs of the various Yukon communities. As well, two workshops were held to explore intensively two areas of concern which are routinely omitted from the consideration of economic development initiatives. In April of 1987, a workshop on Women and the Economy was held in Haines Junction, Yukon; that same summer, a workshop on Youth and the Economy was held in Lake Lebarge.

The first of the three sets meetings with industry and community representatives was followed by a conference in Whitehorse in November of 1986. The Whitehorse conference was held to review the work done to date and to discuss the initiative's future directions. The conference was attended by some 200 delegates, representing industry, social organizations, interest groups, and individuals. In all, delegates had a very diverse range of backgrounds (from homemakers and natives to entrepreneurs and the elderly).[13]

One of the key speakers at the Whitehorse conference was futurist Robert McConnell of Canadian Trend Report in Montreal. McConnell provided delegates with a broad overview of social, economic, and political trends of Canada but suggested that delegates focus on four key questions in reviewing the material of the Yukon 2000 process: Who is this for? How much does it cost? Where is the money going, and does the process work? In his summary, he suggested: "You've the advantage of being a relatively small community - one that because of isolation, a difficult climate, a considerable economic challenge, and a very cohesive community - tends to share experiences, common challenges, and concerns."[14]

This conference resulted in a number of sectoral reports, to be discussed later, and provided the framework for the Yukon 2000 publication, "The Things That Matter: A Report of Yukoners' Views on the Future of Their Economy and Their Society." This report, published in September of 1987, served as the Yukon people's "wish list". It outlines hundreds of ideas for economic development such as freeing up more land for mining, creating a chartered northern bank, and promoting scientific research in the Yukon.[15]

The final Yukon 2000 conference was convened in Dawson City in October of 1987. At this final major conference of the

initiative's planning phase,* workshops were organized for the 120 delegates to evaluate and priorize the recommendations raised in the report, "The Things That Matter." The findings and conclusions from this conference were to serve as the framework for the Yukon Economic Strategy - the implementation plan of the Yukon 2000 development initiative. However, before the final strategy was drafted, government departments were consulted as to how the recommendations would affect current government programs and future policy.

In the spring of 1988, the Yukon Economic Strategy was compiled and published. This strategy became the central economic policy thrust of the Yukon territorial government. It sets out the objectives to be achieved as agreed upon in the consultative process of the previous two years. As was noted earlier, these objectives are: providing options for Yukon people to stay in the region; achieving local control of the Yukon economy; achieving an acceptable quality of life; and attaining equality. The strategy recognizes the limited resources available to the territorial government to accomplish such a comprehensive array of objectives, and calls for continued input from the community and others. Specific government policies arising from the Yukon 2000 plan have already been incorporated into Throne speeches and budgets. For instance, a Community Development Fund and a Business Development

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* The other phases were the policy design and implementation phases.

Fund, both of which had been recommended by the initiative, were included in the 1989-90 territorial budget. As well, Cabinet will be responsible for implementing the economic strategy and will ensure that department programs and budgets contain Yukon 2000 priorities.

What are the most important elements of the Yukon 2000 consultation process? To begin with, senior level commitment, from the Government Leader, his Cabinet, and senior officials, is continuous. So, too, is the process of interaction between citizens and the state, among diverse groups and between analysis and process. All in all, it is fair to say that Yukon 2000 represents a multi-faceted development approach, both in its concept and in its implementation process.

**NOTES**

1 Yukon Economic Development Perspective Update, 1981-1985, prepared by Economic Development, Northern Affairs Program, Yukon Region and Policy, Planning and Research, Economic Development: Mines and Small Business, Government of Yukon, July 1987, p. 15.

2 Statistics Canada, Selected Characteristics for Census Divisions and ... Subdivisions, 1986 Census, Cat. 94-122, p. 9.

3 The Yukon Economic Strategy: Yukon 2000, p.iii.

4 The 1986 Report of the Royal (House) Commission on Employment and Unemployment in Newfoundland and Labrador called attention to the importance of the informal economy. See also D. P. Ross and P. J. Usher, From the Roots Up: Economic Development as if Community Mattered (Ottawa: Canadian Council on Social Development, 1986).

5 Ibid.

6 Northern Perspectives, Vol. 16, #2, March-April, 1988, p.2.

7 For a detailed discussion of the problems of single-industry communities ... and what one group is doing about them ... see "What We Can Do For Ourselves: Diversification and Single-Industry Communities: The Implications of a Community Development Approach," by Michael Decter, and "The Vunerability Checklist: A Tool for Community Self-Assessment," by the Canadian Association of Single-Industry Towns," Economic Council of Canada Local Development paper (1989).

8. Northern Perspectives, op. cit., p.3.

9 Green, "The Indian Economy," op. cit.

10 "The Things that Matter, A Report of Yukoner's Views on the Future of their Economy and their Society," Yukon 2000, September 1987, pp. 1-1, 1-2.

11 Jim Butler, "The Popular Perspective," in Northern Perspectives, op. cit., p. 20.

12 Ibid.

13 "Yukon Development Strategy, Fall Conference Report, Yukon 2000, Yukon Territorial Government, Yukon Economic Development, 1987.

14 Ibid.

15 "The Things that Matter," op. cit.

## Chapter 3: PROGRESS OF YUKON 2000

The progress of Yukon 2000 to date can be examined through two simultaneous and interdependent processes that have been carried out. The first is a consultative process consisting of a series of meetings and consultations involving a wide spectrum of individuals and groups throughout the Yukon. The Yukon 2000 initiative was -- and is -- a most extraordinary bottom-up, grassroots exercise in the development of a government economic strategy.

The second process has been an analytical one in which numerous reports have been prepared (both by territorial government officials and by private consultants) analyzing various sectors and dimensions of the Yukon economy. The unique characteristics of the Yukon economy have been reflected in these reports. Many reports focus on sectors of the economy not traditionally considered by economists and planners. Among the reports are analyses of the Yukon's non-wage economy and Indian participation and a report on hunting, trapping, and guiding.

### 3.1 Consultative Process

Thus far, the Yukon 2000 consultative process has involved an extremely large number of conferences and meetings, including the three major conferences (Faro, Whitehorse, and Dawson City)

described in the previous section, as well as a good many workshops and smaller meetings organized to fill some of the information gaps identified at the larger conferences.

One could fairly ask why Yukoners, generally viewed to be 'over-consulted', have invested so much of their time in this process. No clear answer is available. But certainly there are a number of forces at work which have propelled the Yukon 2000 initiative towards the consultative approach. To begin with, there seems to be a psychological importance to the consultative process. It evidently serves as a method by which the Yukon people feel they can take control of their own future. Throughout the Yukon's association with Canada, there has been an extreme centre/margin relationship which has created a considerable level of dependency on Ottawa. The Yukon people have also witnessed the failure of many federally-based regional development initiatives, such as the Department of Regional Economic Expansion's Regional Development Incentive Act initiative and the Indian Economic Development Fund of the Department of Indian Affairs and Northern Development. These programs have only made the Yukon more dependent on Ottawa's continuing generosity. Moreover, the Yukon's dependency on world natural resource markets have, as was noted earlier, time and time again forced Yukoners to deal with severe boom-bust cycles. Such continuing dependency has frustrated the Yukon people.

Yukon government leader Tony Penikett has said that the Yukon people were faced with a choice to either "...pull together or pull apart...If we didn't [make the decisions for ourselves] outsiders would do it for us."[1] The Yukon 2000 consultative approach thus serves both as a cathartic release of frustration with past efforts and as an attempt by Yukoners to seize control over their future.

Second, the Yukon 2000's "bottom-up" approach reflects the Yukon Government's belief in the national trend toward community-based planning -- a trend helped in this case by the Yukon's extremely small population. The provincial government's philosophy has been that:

> ... economic development moves upward from the people, who both create and benefit from economic activity, not downward from government, which only supports their efforts ... The decisions should be made, as far as possible, at the community level where we can see our needs most clearly. Communities must be helped to develop themselves, to plan and control the improvement of local economic and social conditions.[2]

The reasons for this trend include the desire to build upon other successful bottom-up initiatives from across Canada as well as the realization that top-down approaches have generally not been successful in the Yukon. While some might question the productivity and efficiency of such a large-scale consultative process, experience to date suggests that the Yukon government's

initiative has been approached in an effective, practical, non-partisan, and sincere manner.

There is always the danger that a consultative process on the scale of the Yukon 2000 initiative could collapse under the strains of competing interests and political partisanship. However, the Yukon 2000 plan has employed a pragmatic approach that has been carried out at an arm's length from the government. Rather than attempting to arbitrate between competing interests, the government has chosen to stand back and allow the various participants in the consultative process to identify conflicts and resolve them through direct, interpersonal contact.[3] Tony Penikett refers to this process as a "consensus-building exercise."[4] This approach, the government believes, should eventually result in appropriate and practical plans acceptable to all parties involved.[5]

Finally, the government's approach to organizing the conferences represented a sincere attempt to make the consultative process as productive and as equitable as possible. This can be seen in the fact that the conference formats were adjusted, even as the conferences were underway, to meet participants' needs. As well, smaller groups such as natives, the disabled, and homemakers which lacked access to research and support services equal to those of the larger groups were provided with assistance by the government. For instance, the government provided funding to the Council for

Yukon Indians (CYI) to enable it to send delegates to the workshops and to review the various documents.[6] In the end, the government approach improved the credibility of the Yukon 2000 initiative, in the opinion of the public and even (to a significant extent), that of the often confrontational opposition parties.

## 3.2 Analytical Process

Another important benefit of the Yukon 2000 plan to date has been its analytical output. As a follow-up to the consultative process, the analytical process has resulted in over 30 reports analyzing the Yukon economy. These reports, used as background papers for discussions for the various conferences, cover a broad range of issues, but may for present purposes be divided into three categories.

The first category is the initial background papers. These papers cover 16 different economic development issues, ranging from small business to Indian participation in the economy. They were commissioned as a result of the recommendations made by delegates at the initial Yukon 2000 workshops at Faro in June, 1986 and submitted for discussion at the Whitehorse Conference that fall. As noted earlier, these papers discussed issues which affected economic development potential either directly or indirectly.

The second category consisted of the economic environment background papers. These papers arose out of discussions at the Whitehorse Conference, where the sixteen original linkage papers were analyzed and discussed. The major issues of these linkage studies were consolidated into six economic environment categories. Through further workshops and meetings, these issues were tabled and papers prepared for background use in the final conference at Dawson City in the fall of 1987.

The third set of papers were the industry background papers which analyzed the important industries in the Yukon. The sectors covered range from agriculture to mining and include such non-traditional issues as an analysis of the Yukon's non-wage economy and an analysis of the territory's hunting, trapping, and guiding industry. Native people played an important role here. One group whose input was particularly important was the Trappers' Association, a majority of whose members are natives.[7]

A selected group of papers is summarized in Appendix E. These papers have been selected because of their contributions to knowledge of the unique characteristics of the Yukon economy. Discussions with individuals in the Yukon suggest that in those sectors where a consultative process was assisted by the production of an analytical document, the policy advice generated seemed to be more precise than in other cases, where the combination of consultation and analysis was not present. It is

impossible fully to judge the linkage from analysis to policy. However, individuals such as the Government Leader and the Economic Development Minister have based many of their policy decisions on the analytical work of Yukon 2000. For example, the establishment of the Business Development Fund and Communitiy Development Fund and the tourism strategy grew out of that analytical work.[8]

**NOTES**

1 Yukon Economic Strategy, op. cit., p. iii.

2 Ibid., pp. 1-2.

3 Boothroyd, Peter, "A Study in Democratic Planning," Northern Perspectives, op.cit., p. 19.

4 Interview: Tony Penikett, Northern Perspectives, p. 16.

5 Boothroyd, op. cit., p. 19.

6 Interview with Shakir Alwarid, Deputy Minister of Education for the Yukon. (Formerly Deputy Minister of Economic Development).

7 Ibid.

8 Ibid.

## Chapter 4: THE DESIGN PHASE AND THE CHALLENGE OF IMPLEMENTATION

### 4.1 Design Phase

With the release of the Yukon Economic Strategy in the spring of 1988, a new phase in the Yukon 2000 initiative began. The Yukon Economic Strategy, a direct reflection of the opinion of the Yukon people, will act as the Yukon government's central policy guide throughout the remainder of the century. The Strategy's purpose is set out in the following statement:

> The goals of the Yukon Economic Strategy identify what we are striving for in the long term. The Strategy itself is a plan for meeting those goals. It sets out broad policies that will guide the Yukon government's actions, policies that we believe will take us closer to our goals. Finally, the Strategy lays out specific commitments by the Yukon government to an initial course of action.[1]

The fundamental objective of the Yukon 2000 project is to set a long-term agenda for economic development in the Yukon. What follows is a summary of the project's policy, as set out in the government's Yukon Economic Strategy document.

#### Financial and Business Services

The government's policy in this sector will be to actively encourage the growth and development of the business sector. The government will provide financial assistance to businesses which exhibit a potential for long-term growth when private sector

financing is not available. The government will attempt to encourage growth in the small business sector more generally, as well as to encourage community-based enterprises. To this end, it will set up a business development fund aimed at consolidating and simplifying existing programs (such as the Yukon Loans Fund and the Strategic Investment and Employee Share Purchase component of the Venture Capital Program) as well as any new programs.* The Fund will have a simple application procedure which will judge each application on its merits and requirements. This assistance program will also provide community economic development workers to the Yukon's communities and will extend the availability of financial services to rural areas. The government will also actively seek to remove all barriers, such as access to capital, which face both native and women-run businesses. As well, joint ventures between native and non-native businesses will be encouraged.

Special Groups

The government has announced its intentions to improve the economic opportunities for rural and special-needs Yukoners such as natives, women, the elderly, youth, and the disabled. Philosophically, the government believes that suitable jobs should

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* As noted earlier in the text (see pp. 15-16 and also p. 25) money for this fund was allocated in the 1989-90 territorial budget, as we learned at press time. Money was also allocated for a new Community Development Fund (see p. 29).

be available to all Yukoners who want them and that employment opportunities should be more equitably spread out throughout the territory. As well, the government will attempt to emphasize the attractiveness of the informal economy so that individuals do not resent participating in this important sector of the Yukon economy.[2] A policy for improved access to quality training has also be adopted by the government. As well, the government will set up a Community Development Fund a community-based fund aimed at improving economic opportunities at the community level in the Yukon. The government has also announced that it intends to decentralize some of its jobs to outlying Yukon communities --thus providing additional employment opportunities to rural Yukoners and native people resident in these communities.

Infrastructure and Transportation

The Yukon government recognizes the importance of a strong infrastructure to economic development and a high quality of life. Transportation is of particular importance to the Yukon because of the territory's isolation and sparse population and because, as was noted earlier, transportation industries employ a relatively large proportion of the territory's labour force. The government has outlined policies to reduce the Yukon's dependency on imported energy, as well as reducing energy costs. The transportation system, currently consisting mainly of a deteriorating highway network, will be enhanced and maintained in a manner consistent

with the needs of the business community as well as the citizens at large. This will include the upgrading (through reconstruction and other improvements) of the North and South Klondike and Campbell highways, the development of a new airport at Dawson City, and the encouragement of greater use of the ferry system.

Information and Technology

The Yukon government has acknowledged the important role that information technology can play in economic development. At the same time, the government has recognized that the Yukon's small population places severe limitations on its ability to pursue independent research in this area, and has therefore adopted the policy that the Yukon should actively seek out relevant technology and research from other national and international sources, and adapt it to the needs of the Yukon's businesses and people.[3]

The government has stated its intention of protecting traditional native and rural lifestyles by carefully adapting new technologies to the traditional way of life. As well, the government intends to ensure an appropriate level of broadcasting and telecommunication services for all Yukoners -- a matter of particular importance given the Yukon's sparse population density. To help implement these goals, the government intends to develop a Yukon Service and Technology Strategy and a Yukon Studies Fund,

whose primary objective will be to coordinate and fund these activities.

Natural Resources

The government has recognized the importance of the natural resource sector to the Yukon people's well-being. While it intends to strongly encourage the development and diversification of the natural resource industries, particularly those in renewable resources, it will only do so under the following conditions:

1) If development of resource-based industries produces significant benefit for the Yukon and its communities;
2) If development is environmentally sound; and,
3) If development does not lead to the creation of new single-industry towns.[4]

The government intends to encourage more Yukon-based (particularly community-based) control over the natural resource industries and to include natives in the development and planning processes. To facilitate these goals, the government will develop a Yukon conservation strategy which will be formulated with input from both the private sector and public interest groups. This strategy will act as a guide for the sustainable development of the Yukon's natural resources.

In addition to outlining the broad economic and social policies described above, the Yukon Economic Strategy provides policy objectives for each specific sector of the Yukon economy.

## Agriculture

Given the high level of food imports into the Yukon, the government has set out policies to increase the amount of land available for economically viable agricultural production and to support research and development initiatives which could improve the quantity and quality of the agricultural harvest. Among the specific policies presented is one to provide the industry with assistance in developing an agricultural marketing strategy. The strategy's objective would be to identify those products displaying the greatest potential for production for local and export markets.[5] The government has also established an Agriculture Branch within the Department of Renewable Resources, in an attempt to give agriculture a higher profile.[6]

## Construction

The Yukon government's central objective with respect to the construction industry is to try to smooth out the boom/bust cycles in the industry by encouraging a greater integration of construction activities into community development initiatives. To achieve this objective, the government will attempt to use its

capital spending abilities to encourage construction only when private sector spending is weak. As well, given the short building season in the Yukon, the government will seek to ensure that government construction projects are started as soon as possible in the springtime. The government also intends to encourage greater use of Yukon workers, businesses, and materials and will establish a program that provides employers with incentives to hire local employees for construction projects in communities with above average unemployment rates.

Cultural Industries

The Yukon government believes that cultural industries should not be treated any differently than any other type of business and therefore aims to encourage self-sustaining cultural initiatives. As well, the government intends to help the native community to develop its cultural industries. A community-based Yukon Arts and Culture policy, based on the Yukon 2000 consultations, will be created to consolidate and coordinate the government's involvement with cultural industries. The government intends to improve the marketing of cultural industries' products by encouraging the formation of cooperatives, the use of special Yukon labelling promotions, and the publication and distribution of mail-order catalogues.

## Fishing

The Yukon government is seeking to secure jurisdiction over the fisheries from the federal government. If that is achieved, the Yukon government intends to take an active role in consultations with native and other fishing groups in managing and protecting this resource. The government will also undertake research to ensure the long-term viability of the fishing industry (for example, through the development of an aquaculture industry), encourage the expansion of the fish products line, and improve public awareness both of the value of the fishing industry and of its fragility.

## Forestry

As in the case of the fishing industry, the Yukon government is currently negotiating with the federal government to secure jurisdiction over the forestry industry. If this is accomplished, the Yukon government intends to increase the benefits to the Yukon from its forestry industry by improving the industry's efficiency, increasing the level of local processing, and encouraging more efficient use of waste products. These objectives will, it is hoped, be achieved in consultation with industry representatives and members of the public at large.

## Manufacturing

The Yukon government's approach to manufacturing is to encourage the development of the manufacture of high quality export goods based on materials found in the Yukon (such as gold jewelry). As well, the government seeks to encourage the substitution of locally manufactured products for those which are currently imported (such as building materials). In addition, the government will provide short-term financial assistance to manufacturers who show potential for long-term growth. The assistance to be provided will include the creation of a business incubator, which was requested by the private sector during the consultation process.

## Mining

Recognizing that the mining industry is crucial to the overall Yukon economy, the government, through incentives and other strategies designed to improve the investment climate of the mining industry, is planning to take a very active role in encouraging exploration and development of the Yukon's mineral resources. The government also plans to streamline the regulatory process and to develop an annual forum involving industry officials and others to help avoid conflicts over the use of land and water resources.

## Outfitting, Trapping and Guiding

Of particular importance to the Yukon economy is its wildlife stock. Not only does it provide economic benefit to outfitters, trappers and guides; it also benefits tourism. The Yukon government has drafted strategies to enhance this sector. Among its policies are plans to develop training programs for big game outfitters and wilderness guides, to develop information and marketing strategies aimed particularly at increasing tourist activity, and to counter the anti-trapping lobby. The government intends to manage this sector with an awareness of environmental constraints.

## Subsistence Economy

The subsistence (or informal) economy* plays a large role in the workings of the overall Yukon economy. It is predominantly the native community which participates in the informal economy, which provides both a source of goods and services and the wherewithal

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* For present purposes, we may define subsistence economic activities as those falling outside the boundaries of traditional economic analysis and typically outside those of the cash and market nexus as well. Such activities include the harvesting of animal, fish, and plant resources for food and fuel; they might also include the building or repair of one's house, the manufacture of one's own clothing, and the like. By definition, such activities are extremely difficult to measure. But the initiative's background paper on the non-wage economy (see Appendix E) has estimated the total value of the Yukon's country food harvest as close to $10 million. This harvest, the report estimates, probably comprises between 27 and 60 per cent of total territorial food production.

to practice its traditional ways of life. The Yukon government has no intention of discouraging these practices, but rather seeks to improve its knowledge of the subsistence economy. Indeed, the government intends to develop policies to strengthen and support the subsistence economy and to ensure that people have the opportunity of moving to the wage economy if they so desire. This latter objective is to be achieved by encouraging employers to consider non-wage experience as a valuable asset as well as encouraging the development of flexible work arrangements. As an example of the latter, the government is planning to establish an "elder-protégé" program in which community elders are compensated financially for their efforts in training young people.

Tourism

In 1971, some 710 Yukoners, or 8.71 per cent of the territory's experienced labour force, were employed in tourism. By 1986, that figure had more than doubled, to 1495 (10.89 per cent). Nearly three times as many Yukoners were working in hotels and restaurants in 1986 than had been the case 15 years before.[7]

Given that tourism is one of the more important components of the Yukon's economy, the government intends to play a major role in developing a larger tourism industry. As a result of Yukon 2000 consultations, the government has developed an overall tourism strategy. This strategy provides a detailed account of

the policies and objectives of the government towards increasing tourist activity. Among the policies are plans to improve and increase the number of internationally competitive tourist attractions; improve the Yukon's parks and highways; encourage growth in the convention, meeting, and sports event markets; and support Indian ownership of tourist-oriented businesses. All of these policies are aimed at increasing Yukoners' control over their tourism industry and at realizing the greatest possible benefits from tourism for Yukoners.

Trade and Services

The Yukon government seeks to encourage further growth of the trade and service industries by encouraging increased volumes of local purchasing rather than, as is usually the case, relying on services located in the provincial capital (Whitehorse). This objective is to be achieved by encouraging more exchange of information between wholesalers, retailers, and manufacturers. As well, the government will attempt to use its contracting and administrative procedures to encourage the growth of the household and business service industry.

Volunteerism and Housework

The Yukon government recognizes the value to the economy of volunteer work and housework. It believes that experience gained

in these fields can and should be applied towards wage-paying work if the individuals involved desire to do so. To facilitate movement between non-wage and paying work, the government intends to encourage flexible working arrangements so that individuals can participate in both wage-earning and volunteer/household activities through such arrangements as job-sharing and flexible work hours, without the loss of employment benefits. As well, the government intends to open its training courses (including one on how to run a business from one's home) to volunteers, as space permits. The government also intends to develop workshops aimed at providing women with the information they need to start up small business operations in the home.

## 4.2 Implementation

The introductory section of the Yukon Economic Strategy report contains the following message:

> "The Yukon Economic Strategy arises from both the experience and the dreams of the Yukon's people. It represents less the economic vision of the Yukon government than the government's plan to nurture the visions of the people ... The success of the implementation of the Yukon Economic Strategy will be measured by our progress towards meeting ... (our) ... goals.[8]

The Yukon government has in mind three time frames for implementation of the Yukon 2000 programs described above: short, medium, and long. The timing of each program will reflect its importance, immediacy, and practicality. The Yukon Economic Strategy sets out

short-term, medium-term, and long-term objectives for each sector of the Yukon economy.

Since the implementation process has just begun, it is still much too early to evaluate any of the specific programs undertaken within the Yukon 2000 framework. The implementation process is not static in structure and it has been recognized that flexibility and pragmatism will be essential for successful long-term implementation. But several points can be made with regard to the implementation process and the challenges facing that process.

The extensive consultative process has raised the expectations both of those participating in the process and of those reading or hearing about it. These expectations focus on the delivery of programs promised by the government. The government itself readily admits that not all of the programs can be delivered in the next few years.

This rising tide of expectation is common with intensive consultative processes and often leads to disillusionment on the part of participants. The major challenge of implementation will be to keep the goodwill generated during the consultative process intact while achieving the implementation of at least some specific programs. The Yukon government has recognized the difficulty of achieving such a balance and has asserted its belief

that the people of the Yukon will be patient concerning program implementation:

> "...This is a strategy for Yukon 2000, not Yukon 1989. We're not going to be able to do it all at once; we don't have the capacity as a government to do that, and I don't think we have the will of the community to do it. There may be some disappointment that we're not doing everything at once, but I don't think reasonable people will have any expectations of that."[9]

The second and related major challenge will be to place as much of the burden of the implementation as is feasible at arm's-length from government. The Yukon government has recognized its limited capacity to fully undertake program implementation. The Yukon Economic Strategy document declares a need for input into the implementation process from the federal government, where programs fall within its jurisdiction; and from the private sector, to assist in building industry, creating jobs and encouraging employment and income equity along ethnic lines; as well as continued input from the community at large.[10] Yet striking a balance between the various players may be difficult to achieve in an environment where the territorial government has traditionally been expected to assume the dominant leadership role.

The implementation process will also be substantially affected by three other factors. Native land claim discussions are underway with the federal government and, depending on their outcome, may have significant, though not necessarily adverse,

effects on the Yukon 2000 plan.* Among the issues which may be affected by a land claims resolution are: mineral rights, land-use planning, education, taxation, and self-government.[11]

Another factor, one which has the potential to substantially improve the effectiveness and efficiency of the implementation process is a planned transfer of many federal government responsibilities to the Yukon territorial government. Negotiations are underway to transfer jurisdiction to the Yukon government over such matters as forest, water and lands management, energy, and interterritorial roads. Such a transfer might well increase the Yukon's abilities to make quicker locally-based decisions and could also contribute to better coordination of government services.[12]

With both continual government monitoring and public consultation throughout the implementation process, the Yukon 2000 project is off to a healthy start in achieving its stated objectives. The key to the continuation of a successful implementation is leadership. The creative leadership that will be required for YUKON 2000 to succeed is one that maintains the

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* As this document was going to press, we learned that an agreement in principle has been reached between the federal government, territorial government, and Council for Yukon Indians. The framework agreement outlines the total amounts of land and money to be awarded to the Yukon's native people. Specific details, according to former Deputy Minister of Economic Development Shakir Alwarid, are to be worked out in further negotiations.

project's consultative spirit, while maintaining a steady implementation process.

**NOTES**

1 Yukon Economic Strategy, op.cit., p.4.

2 See Appendix E for a discussion of the importance of the informal economy, particularly in food production.

3 Such successful addaptation of technology has been made by the La Ronge Indian Band, of Saskatchewan. See "A Case Study of the Kitsaki Development Corporation," by Michael Decter and Jeffrey Kowall, Economic Council of Canada, Regional Development project case study, (forthcoming in late 1989).

4 Decter and Canadian Association of Single-Industry Towns, "What We Can Do For Ourselves," op. cit.

5 It should be noted that if the government wishes to increase agricultural production significantly, it will have to train or attract additional farm workers. To be sure, the number employed in that sector has increased -- from a minuscule 5 in 1971 to 95 in 1986, according to Statistics Canada's most recent survey of the experienced labour force. But this figure still represents only .69 per cent of the experienced labour force work in agriculture. Again, the fact that certain individuals engaged in farming do so as a subsistence activity, and that relatively more may well do so on a subsistence basis than elsewhere in Canada may mean that the official data understate the proportion of Yukoners actually engaged in raising food. But if the objective is import substitution, it seems unlikely that subsistence farming carried on outside the formal economy will suffice. More people will have to be induced to make their careers in agriculture. Source, Statistics Canada, Experienced Labour Force by Industry Divisions (Based on the 1970 Classification) and Sex, for Canada, Provinces and Territories, various Censuses from 1951 to the present. Cat. 93-152, p. 1-1. As data for this survey were calculated in a slightly different way from those in other tables in this paper (see Table 1 for instance), the size of the total labour force may be slightly different here from what it was in those other tables.

6 Interview with S. Alwarid, Deputy Minister of Education.

7 Statistics Canada, Experienced Labour Force by Industry Divisions (full source in previous note), Cat. 93-152, Table 2, pp. 103-104.

8 Yukon Economic Strategy, op.cit., p. 46.

9 Ibid., pp. 1, 3.

10 Northern Perspectives, Interview with Tony Penikett, op.cit., p.18.

11 Yukon Economic Strategy, op.cit., p.5.

12 Ibid., p.5.

## Chapter 5: OBSERVATIONS, CONCLUSIONS AND LESSONS FOR REGIONAL DEVELOPMENT

The YUKON 2000 initiative represents one of the most comprehensive and ambitious recent Canadian attempts to undertake a broad consultative process directed towards development. To be sure, it remains an open question whether the Yukon "formula" could be replicated throughout Canada. Undoubtedly the territorial government has been helped by the fact that, due to revenue-sharing formulas between the Government of Canada and the Government of the Yukon, the Yukon Government has a significant array of resources to bring to bear on issues of economic development. Indeed, it is fair to say the Yukon has substantially more resources than might be available to a similar sized community or sub-region without a territorial or provincial government.

But while it is true that the cost of the YUKON 2000 exercise in consulting fees and the time invested by individuals within government and within communities might be prohibitive to another region without the benefit of a territorial or provincial level of government, many of the initiative's less costly features are, at least potentially, applicable elsewhere in Canada. Here, it is worth noting, some of the most useful work has consisted of the examination and discussion of areas not generally considered by mainstream economics. For example, the examination of the non-wage economy, and in particular the country food harvest, house-

work, and volunteerism sectors, has brought to light an aspect of the Yukon economy not counted in territorial income figures, and yet of enormous value to the Yukon's substantial native community. Such an examination might well be undertaken by other jurisdictions, particularly those containing large numbers of rural or native people. As well, the sectoral workshop format, whereby people in business and government are brought together to engage in economic planning discussions, is one which also deserves to be more frequently employed in regional planning that has hitherto been the case.

A broad lesson worth considering is brought home by an examination of Yukon Economic Planning Studies, 1965- 1985, An Annotated Bibliography, in which one discovers that there have been over 450 economic studies of various aspects of the Yukon economy in that period. Few of these earlier studies have had the impact of some of the rather more modest YUKON 2000 efforts in actually communicating with Yukoners about their economy. In this sense, a major contribution of YUKON 2000 may be the bridging of the gap between bureaucratic and economically-oriented analytical approaches to planning and social development. YUKON 2000 represents a hybrid which attempts to bring together elements of a central planning approach, a sectoral planning approach, and a community participation approach. This synthesis seems to have merit as an approach to planning at the regional scale since it

brings together some of the most salient features of the more traditional approaches.

Another lesson of the Yukon 2000 project is to be found in its consensus-building style. In any large-scale planning exercise, conflicting opinions and objectives invariably emerge. The Yukon 2000 process has encouraged the people to discuss these differences among themselves and arrive at some consensus. The government has used these conclusions as a basis for its Economic Strategy, rather than presenting its own policies to the people.

The involvement of the native community has been both a significant and an encouraging development of the Yukon 2000 project. From the beginning, native concerns have been central to the planning, design, and implementation phases. The reader will note that seven of the Faro Workshop participants listed in Appendix 'B' were from the native community. In addition to playing an active role in the Faro workshops, native people were also active participants in the subsequent Whitehorse and Dawson conferences. The Yukon government's approach has reflected the significant (and often unacknowledged) role that both the traditional native economy and the involvement of native peoples play in the "western" economy. As well, inter-sectoral factors such as the roles that government and financial services play in development opportunities have contributed to the uniqueness and (one would hope) success of the Yukon 2000 initiative.

As was noted earlier, the Yukon 2000 initiative is still in its early stages. It is far too early to attribute measurable impacts to the initiative. In considering whether such an initiative might be carried out elsewhere in Canada, one must also bear in mind the unique features of the Yukon's geography and economy described earlier. Subject to these limitations, Yukon 2000 appears to offer promise as a strategy for involving large numbers of ordinary citizens in the planning process. Its long-term results will be awaited with considerable interest.

**APPENDIX A: CHRONOLOGY OF EVENTS**

June, 1986 - The Faro Workshops - approximately 60 people, representing key interest groups in the Yukon economy, met in Faro, the Yukon. Discussions centered around issues and objectives, as well as a framework for Yukon 2000.

July, August, September, and October, 1986 - development of goals and objectives, commissioning of linkage studies, and industry workshop.

September, October, November, 1986 - meetings with community groups, including municipal and Indian Band Councils, Community Associations, and Chambers of Commerce.

November, 1986 - Fall conference. Discussion of issues and parameters for solutions.

Spring 1987 - Industry Meetings (2nd Series). Community Consultations (3rd Series).

Summer 1987 - Women's Workshop; Youth Workshop; Whitehorse Open Houses.

Fall 1987 - Dawson Conference.

Spring 1988 - Yukon Economic Strategy published.

Source Yukon Economic Strategy, Government of the Yukon, Spring 1988.

**APPENDIX B**

**LIST OF MEETING PARTICIPANTS, FARO, 1986**

**PARTICIPANTS:**

Al Alcock
Yukon Livestock and Agricultural Association

Doug Badry
Yukon Contractors' Association

Ted Bartsch
Faro Chamber of Commerce

Gary Bauer
Yukon Electric Company

Buffy Blakely
Yukon Status of Women

Bill Bowie
Dawson Chamber of Commerce

Jack Cable
Whitehorse Economic Initiatives Committee

Shirley Charchuk
Watson Lake Chamber of Commerce

Ione Christensen
Yukon Economic Council

Jack Devitt
Yukon Mine Operators' Association

Hammond Dick
Ross River Indian Band

Bill Drury
Agricultural Community

Don Evans
Teamsters Local 31, Whitehorse

Alan Fry
Klondike Placer Miners' Association

Judy Gingell
Yukon Economic Council

Bob Green
Resource Development Impact Project, C.Y.I.

Chuck Halliday
Yukon Visitors Association

Dave Harder
Yukon forest Industries Association

Brian Hemsley
Ross River Businessmen's Association

George Henry
Native Economic Development

Chuck Holloway
Klondike Visitors' Association

Ken Hutchinson
Yukon Crafts Society

Joe Jack
Native Economic Development

Dorothty John
Ross River Indian Band

Al Kapty
Yukon Transportation Association

Marilyn King
Yukon Economic Council

Con Lattin
Whitehorse Chamber of Commerce

Hector MacKenzie
Yukon Association of Wilderness Guides

Nancy MacPherson
Yukon Conservation Society

Mike Miller
United Steel Workers of America

Gladys Netro
North Yukon Resource Development Impact Project

Millie Pauls
Ross River Indian Band

Ross Priest
Yukon Building Trades Council

Dennis Prince
Yukon Chamber of Mines

Douglas Rody
Woodpecker Woodworking

Richard Sidney
Teslin Indian Band

Jim Smith
Former Commissioner

Chris Sorg
Silver Trail Chamber of Commerce

Mel Stehelin
Aurora Realty Investment Realesearch

Jim Stevens
Mineral Exploration

Andy Tamas
Community Economic Development

Dietmar Tramm
Council for Yukon Indians

Stan Tooley
Carcross Chamber of Commerce

John Trout
Alaska Highway Visitors Association

Bill Webber
Council for Yukon Indians

Terry Wilkinson
Yukon Outfitters Association

Wayne Wilkinson
Energy and Small Business

**OBSERVERS:**

**Faro Chamber of Commerce:**

Murray Hampton, Vice-President
Anna Bartsch, Secretary
Marilyn Harris, Treasurer

Colin Heartwell
Indian Affairs and Northern Development Canada

Roger Kimmerly
Minister of Justice and Government Services, YTG

Piers McDonald
Minister of Education and Community & Transportation Services, YTG

Jim McLachlan
M.L.A. - Faro

Alan Nordling
M.L.A. - Porter Creek West

David Porter
Minister of Tourism & Renewable Resources, YTG

GOVERNMENT RESOURCE PEOPLE:

Shakir Alwarid
Economic Development

Jim Bell
Economic Development

Andre Gagnon
Community & Transportation Services

Tony Hodge
Economic Development

Laurie McFeeters
Ministerial Assistant

Debra McNiven
Executive Council Office

Tim McTiernan
Renewable Resources

Rob McWilliam
Economic Development

Catharine Read
Economic Development

Margaret Scopick
Government Leader's Office

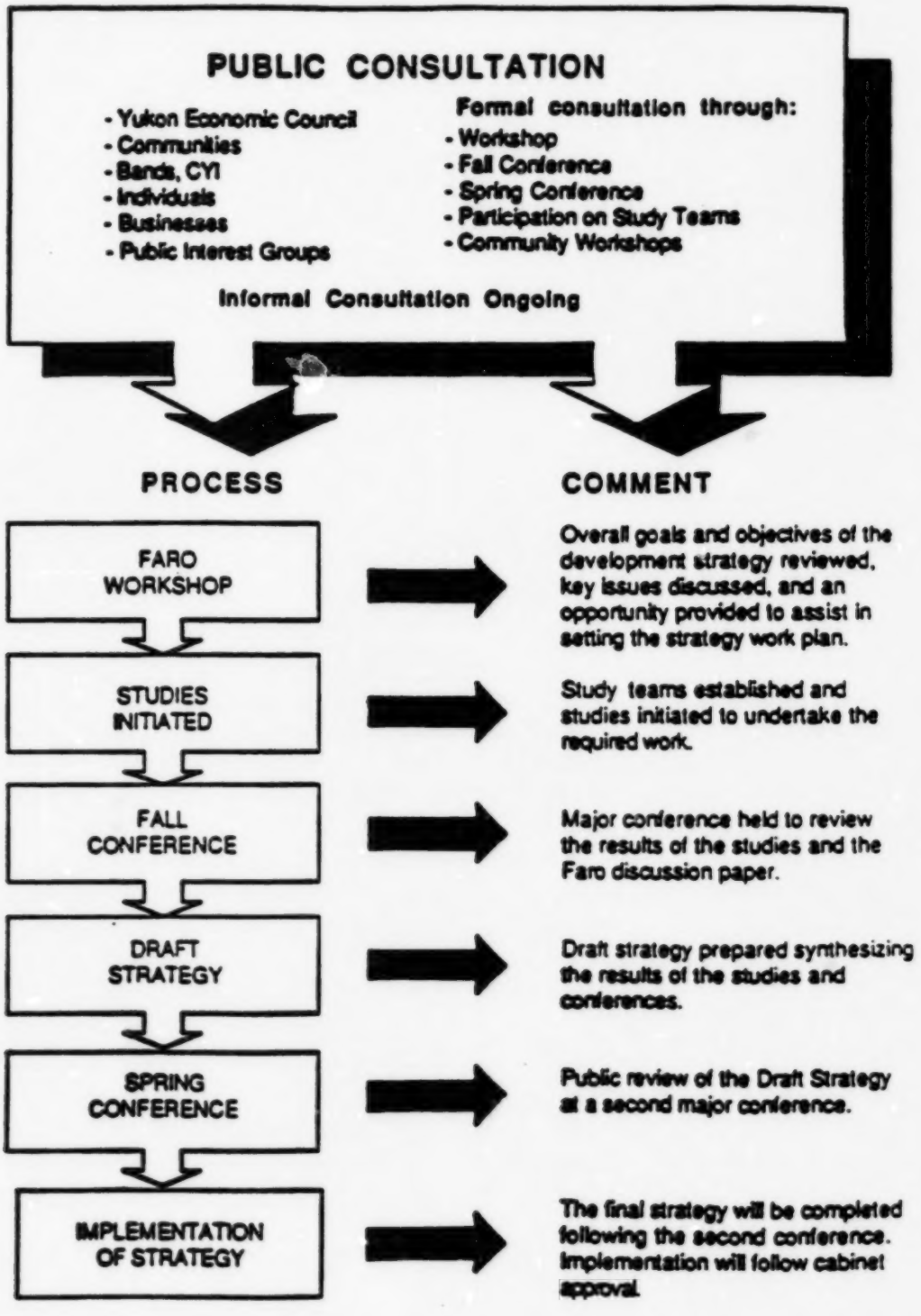
Terry Sewell
Community & Transportation Services

Lindsay Staples
Government Leader's Office

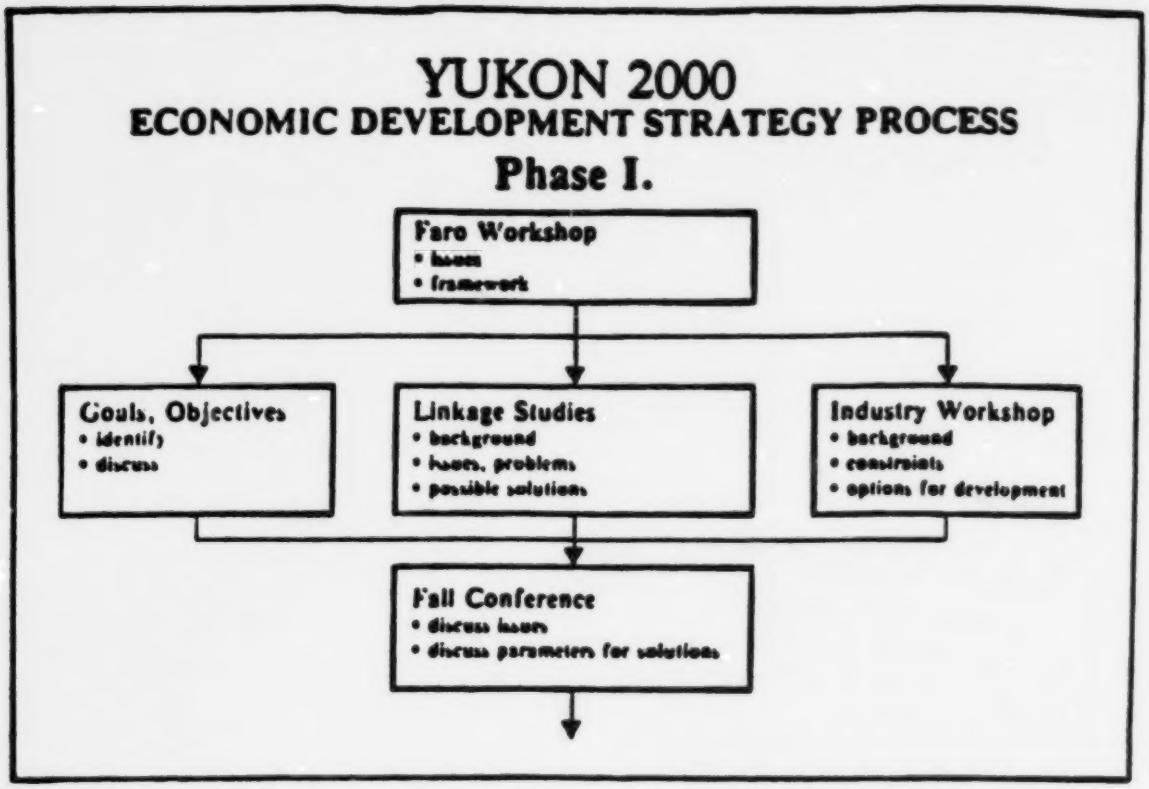
Don Weisbeck
Tourism

**APPENDIX C**

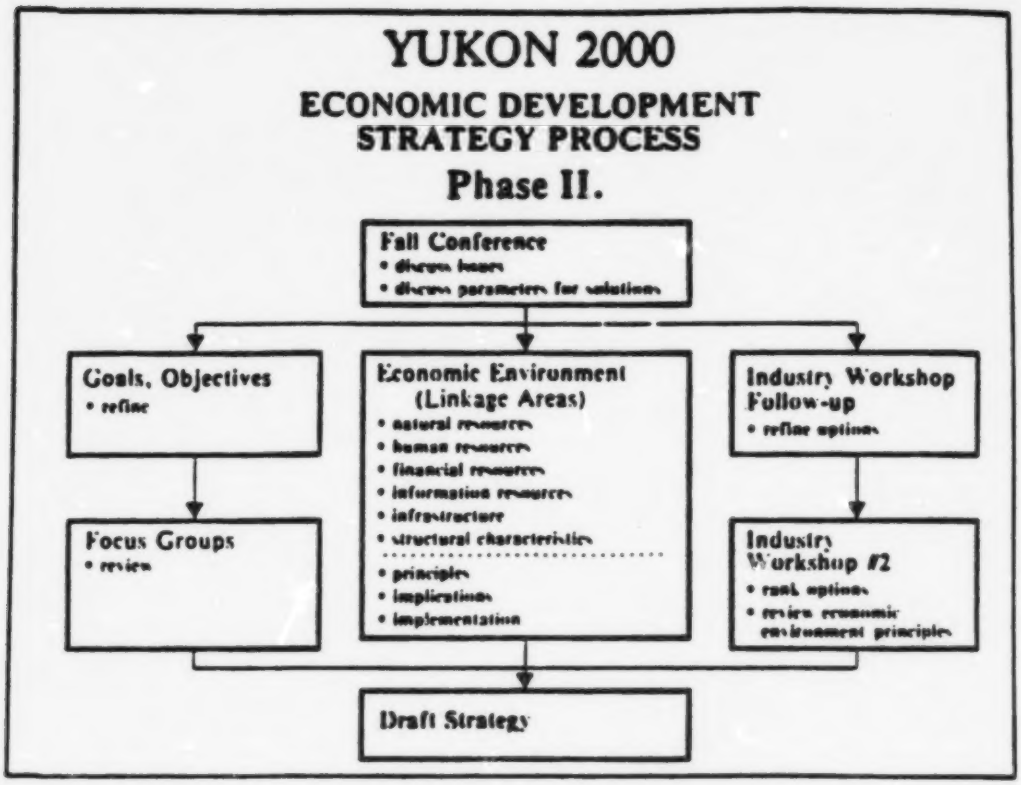
# YUKON DEVELOPMENT STRATEGY: PLANNING PROCESS


PUBLIC CONSULTATION
- Yukon Economic Council
- Communities
- Bands, CYI
- Individuals
- Businesses
- Public Interest Groups
Formal consultation through:
- Workshop
- Fall Conference
- Spring Conference
- Participation on Study Teams
- Community Workshops
Informal Consultation Ongoing
PROCESS
COMMENT
FARO WORKSHOP
Overall goals and objectives of the development strategy reviewed, key issues discussed, and an opportunity provided to assist in setting the strategy work plan.
STUDIES INITIATED
Study teams established and studies initiated to undertake the required work.
FALL CONFERENCE
Major conference held to review the results of the studies and the Faro discussion paper.
DRAFT STRATEGY
Draft strategy prepared synthesizing the results of the studies and conferences.
SPRING CONFERENCE
Public review of the Draft Strategy at a second major conference.
IMPLEMENTATION OF STRATEGY
The final strategy will be completed following the second conference. Implementation will follow cabinet approval.

**THE AIM IS TO HAVE A COMPREHENSIVE STRATEGY IN HAND WITHIN TWO YEARS**

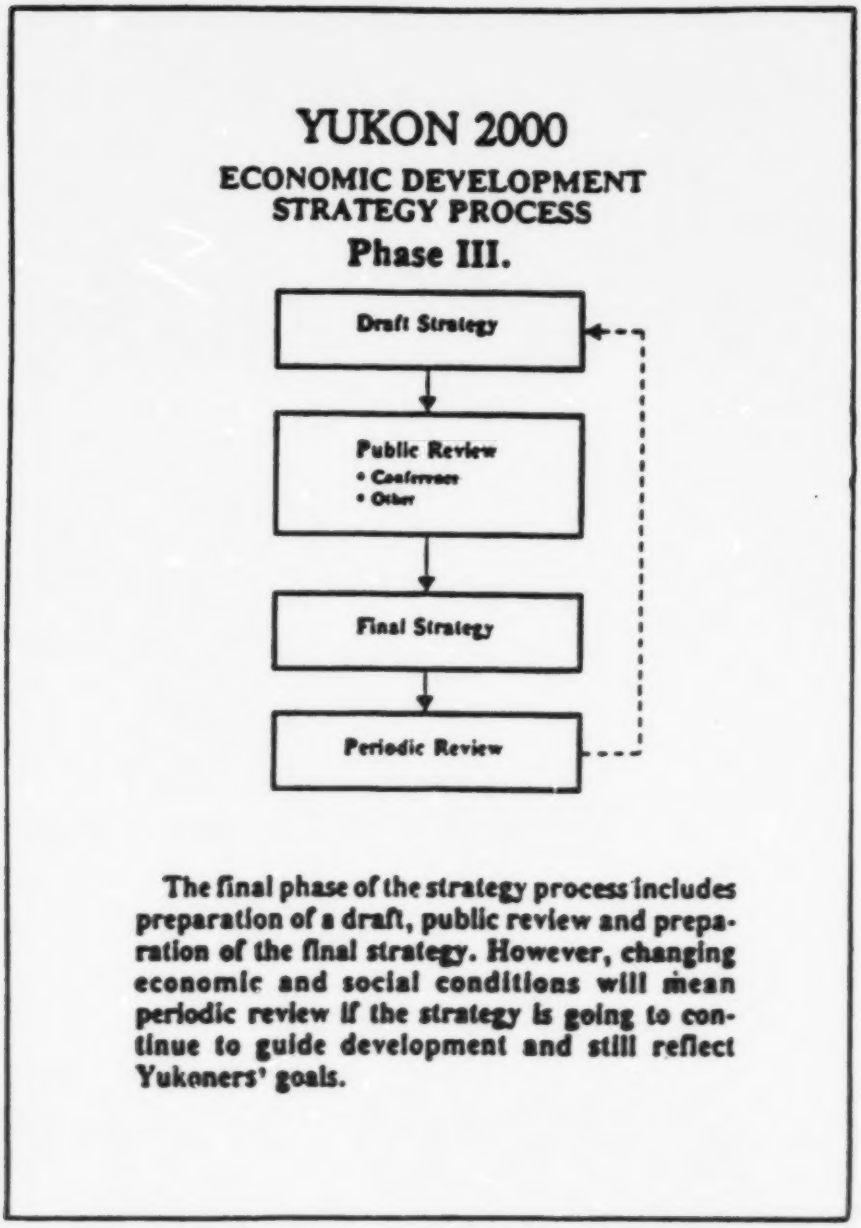



Source Yukon Development Strategy Report. Page 3.




SOURCE: Yukon Development Strategy Report. Page 26.

# The Process: Yukon 2000 Phase Three




The final phase of the strategy process includes preparation of a draft, public review and preparation of the final strategy. However, changing economic and social conditions will mean periodic review if the strategy is going to continue to guide development and still reflect Yukoners' goals.

SOURCE: Yukon Development Strategy Report. Page 27.

APPENDIX D: Map of Yukon

Source: Yukon Fact Sheet, Yukon Government, Executive Council Office, Bureau of Statistics.

**APPENDIX E**

**SUMMARIES OF SELECTED ANALYTICAL PAPERS**

Women in the Yukon Economy: A Blueprint for the Future -- This review and analysis notes that 47 per cent of the women of working age population in the Yukon are part of the labour force, while 42 per cent of the labour force are women. It reviews the evidence of barriers to women's full participation in the economy and argues that women's concerns have been regarded as a social rather than an economic issue. It notes that women are segregated in generally a limited number of lower paying job ghettos within the labour force and that their wage levels lag behind those of men.

A four-part strategy, organized around objectives, is proposed. These include:

1) Access to employment. Barriers to job entry and advancement training and education opportunities.

2) Improvement in women's incomes, both pay and pensions.

3) Support services to be available to women in areas such as child care, financial support during maternity leave and sharing of family responsibilities.

4) Integration of women in economic development.

The review presents a great deal of detailed data on a community by community basis, as well as by sector and in comparison to other jurisdictions of Canada. It is of note that the participation rate for women in the Yukon, as of 1981 according to Statistics Canada data, is significantly higher than the participation for women in any other part of the country, at 67.2 per cent versus 51.8 per cent for Canada as a whole. This may, however, reflect the high overall participation rate for all adults in the Yukon, rather than particular success of women in the Yukon economy, as compared to other regional economies within Canada.

Non-Wage Economy -- The analysis of the non-wage economy in the Yukon was supplemented by a workshop which met on two occasions. Its orientation was definition, and it succeeded in identifying three components of the non-wage economy in the Yukon:

a) The country food harvest
b) Volunteer work
c) Housework.

With regard to the country food harvest, the harvesting of undomesticated food for subsistence, the report notes three recent case studies: Ross River (Demitrov; 1984), Old Crow (Murphy; 1986) and Teslin (Duerden; 1986). It notes that these studies emphasize the continuing importance of the country food harvest for the Indian community. The report estimates a rough monetary value for the total Yukon country food harvest of close to $10 million, based upon the community studies. The report further estimates, based on the three case studies mentioned, that the country food harvest comprises between 27 per cent and 60 per cent of the community food basket. Overall, this represents a startling importance for a sector of the economy hitherto regarded as minor.

The insights and conclusions pertaining to volunteer work and housework are far less specific to the Yukon and could apply to those two categories of the non-wage economy in nearly every part of Canada.

Yukon Development Strategy, Tourism -- As noted in a previous section, the tourism sector conference of October 4, 1986, represented one of the major industry meetings within the YUKON 2000 consultative strategy. The outcome of the tourism consultation was a broad set of ideas and initiatives. The overall emphasis was on strategies targeted to high expenditures with a concentration on the Yukon as a destination. In the reports of the tourism strategy discussions, there seems an unwillingness to abandon traditional approaches to capturing part of the tourism traffic to Alaska in favour of new strategies.

Hunting, Trapping, Guiding - Commercial Use of Wildlife Discussion Paper -- Preceding from a very weak and tentative data base, this analysis reviews these areas, identifies constraints and evaluates some of the opportunities which might exist. It concludes by identifying the need for a much better data base and the need for improvements to the activities of hunting, trapping and guiding rather than any dramatic change in policy. The importance of hunting, trapping and guiding to aboriginal people is clearly identified.

Mining - Sectoral Review, Mining -- Based on income multipliers from the Yukon input/output table, this analysis identifies the Yukon mining industry contribution to total territorial income at a level of around 40 per cent in 1981, and as low as 12 per cent in 1985 when three major mines were closed and placer mining accounted for three-quarters of the valued mineral production.

Major constraints to expanded mining activity in the Yukon are noted, including limited access to the land base for exploration of developments, high power and labour costs in the Yukon and a generally negative public perception of mining.

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**LOCAL DEVELOPMENT PAPERS**

**December 1989 Releases**

What We Can Do for Ourselves: Diversification and Single Industry Communities - The Implications of a Community Economic Development Approach, by Michael B. Decter, and The Vulnerability Checklist: A Tool for Community Self-Assessment, by the Canadian Association of Single Industry Towns

The Community as a Base for Regional Development, by Stewart E. Perry

Canadian Regional Development - The Urban Dimension, by A. F. J. Artibise and Matthew J. Kiernan

Yukon 2000 - Comprehensive Planning for Diversification, by Michael B. Decter and Jeffrey A. Kowall

Development Indices: A Quebec Regional Comparison, by F. Lamontagne and C. Tremblay

Series General Editor: Jonathan Peirce

These papers are available on request from the Publications Division, Economic Council of Canada, Ottawa, Ontario, K1P 5V6.